(b) if so, the steps taken in that direction; and

(c) the details of the proposals mooted by Government in this regard?

THE MINISTER OF CIVIL AVIATION (SHRI C. M. IBRAHIM): (a) to (c) A proposal from M/s. Skyline NEPC (a scheduled private airline) for import of three Airbus A-310 is under consideration of the Government.

Investigation on Misdeed and Irregularities of Shaw-Wallace & Company Ltd.

3596. SHRI JIBON ROY: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that his Ministry has investigated on various misdeeds and irregularities of Shaw-Wallace & Company Limited, Calcutta;

(b) If so, the outcome of the investigation; and

(c) what action has been taken as per investigation so far?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) The Department of Company Affairs had ordered inspection of books of account and other records of Shaw Wallace & Co. Ltd. under Section 209A of the Companies Act, 1956.

2. The inspection report has brought out details of huge inter-corporate deposits taken and given, interest waived on such deposits given, details of huge bad debts and advances written off, details of borrowed funds which were utilised in lending without adequate returns, payment of non-competition fee, unnecessary payment of consultancy and brokerage charges, etc.

3. The findings of the inspection report, the scrutiny of the company's audited accounts for the year ending 30th June, 1995, subsequent complaints, information received from financial institutinos and field offices of the Department of Company Affairs have been examined and this has revealed that financial mismanagement of the affairs of the company has led to a very severe cash crunch, which has endangered the company's solvency and that the affairs of the company are being conducted in a manner oppressive to the members of the company and in a manner which is prejudicial to the interests of the company and to the public interest.

4. The Central Government has made a reference to the Principal Bench of the Company Law Board under Section 408 of the Companies Act, 1956 on 6th September, 1996 seeking an order for the appointment of eight Directors on the Board of the Company for a period of three years to effectively safeguard the interests of the company, its shareholders and/or the public interest.

Economic Package for Assam/North-Eastern Region

3597. SHRI SHIV CHARAN SINGH:
SHRI PARAG CHALIHA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to bestow an Economic Package on Assam or North-Eastern Region on the pattern of J&K Package; and

(b) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) No package as such has been formulated for Assam or the North-Eastern Region on the pattern of J&K package. The problems of J&K are different than those of North-Estern States. However, North-Eastern States are being given priority by Government of India in allocation of resources. All the North-Eastern States are categorized as special category States and are being given a liberal pattern of Central Assistance which is given as 90% grant and 10% loan. Further, for integrated development

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